

Good morning Mr. Chairman and members of the Committee. We greatly appreciate the opportunity to be with you today. My name is Bob McKenna and I am president and CEO of the Motor & Equipment Manufacturers Association. MEMA is a national trade association that represents over 700 companies that manufacture motor vehicle parts for use in the light vehicle and heavy duty original equipment, aftermarket and remanufacturing industries.

MEMA represents its members through four affiliate associations: Automotive Aftermarket Suppliers Association (AASA); Heavy Duty Manufacturers Association (HDMA); Motor & Equipment Remanufacturers Association (MERA); and, Original Equipment Suppliers Association (OESA).

Motor vehicle parts suppliers are the nation's largest manufacturing sector, directly employing over 685,000 U.S. workers and contributing to over 3.2 million jobs across the country. Additionally, parts suppliers are the leading manufacturing employer in eight states, including Michigan. In many cases, a parts manufacturing facility may be one of the largest employers in a small community. Given that every one parts manufacturing job supports nearly five others, the importance of the supplier industry to local and regional economies cannot be underestimated.

Collectively, domestic motor vehicle parts suppliers are a \$388 billion industry. Suppliers are increasingly taking the lead in developing technologies critical to making today's vehicles safer and more fuel efficient while planning for the needs of the future. Suppliers also manufacture the aftermarket products necessary to repair and maintain over 248 million cars and trucks on the road today.

It is no secret that over the last few years the industry has witnessed unprecedented economic challenges. No state knows that better than Michigan. However, this is a vibrant industry, and it has proven its ability to adapt to changing demands time and time again.

While supplier operations have expanded out from the state, Michigan is still very much the center of the parts manufacturing industry. Companies are bringing workers back, investing in research and development, and seeking to expand. A favorable business climate and access to a highly skilled workforce will help them capitalize on the investments many companies already have in this state.

The road to a competitive, thriving parts manufacturing sector begins right here in Michigan. We hope to work with your committee and the Michigan Legislature to ensure the industry's continued recovery and success.
